



**Office of the Attorney General
Paul G. Summers**

NEWS RELEASE

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**Thirty-Two Attorneys General Reach Agreements With
Three Major Wireless Carriers**

Verizon, Cingular and Sprint PCS Agree to Coverage Maps and Pro-Consumer Return Policies

Tennessee Attorney General Paul G. Summers announced today that he and Attorneys General from thirty-one additional states entered into agreements with three of the nation's largest wireless telephone carriers, Verizon Wireless, Cingular Wireless, and Sprint PCS. The agreements require the carriers to provide coverage maps to consumers, give consumers at least two weeks to terminate service contracts without incurring termination penalties, and also change the way these carriers advertise and sell their services and coverage.

"We are pleased that Tennesseans will have a clearer idea about the limits of wireless coverage and their wireless telephone plans," Attorney General Summers said. "We want Tennesseans to have all the information they need to determine which plan and wireless carrier is best for their individual needs. Under the agreement, consumers will have a trial period to find out if they have wireless service where they live, work and play. If the consumer is not happy with the wireless service they may return the phone within 14 days and not pay a termination penalty. If the consumer returns the phone within three days, they will not have to pay the termination penalty and will get a refund of any activation fee they may have paid."

Consumers may be familiar with the maps previously provided by wireless carriers which consisted of a map of the entire calling area, in some cases, the entire United States was covered in one solid color. Carriers referred to these maps as "rate maps," indicating where rates were available. Coverage was not necessarily available in the entire calling area or the entire United States, for a

variety of reasons, including lack of cell towers, lack of roaming agreements, lack of capacity to accommodate all calls during certain high peak times, and physical obstructions, such as buildings, hills, and trees. Verizon Wireless, Cingular Wireless, and Sprint PCS now will provide coverage maps to consumers that are as accurate as possible under current technology.

Also, these three carriers have agreed to provide new customers with a minimum of 14 days to try out their wireless service to make sure service is available where they need and want it. During the return period, new customers will be permitted to terminate their service contracts for any reason without paying the early termination fee provided for in the contract. In addition, these three carriers have agreed to provide a new return policy: new customers will be permitted to terminate their service contracts for any reason within three days without paying the early termination fee, plus the carrier will return any activation fee the consumer may have paid when he or she signed up for the service.

Other provisions of the agreement call for certain disclosures in the carriers' advertisements and through their retail, Internet, and telemarketing sales channels, which are designed to provide consumers with comprehensive information about the costs and limits of their wireless service.

These agreements resolve state consumer protection investigations of the carriers focusing on alleged misleading advertisements and unclear disclosures relating to service agreement terms and wireless coverage areas. The carriers must comply with most of the terms of the agreement within 120 days from July 21, 2004. The carriers must comply with all the terms of the agreements within 180 days from July 21, 2004.

The states entering into the agreements with the carriers are Alabama, Arkansas, Colorado, Delaware, Georgia, Hawaii, Idaho, Illinois, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Mississippi, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Virginia, Wisconsin and Wyoming.

As of December 2003, Verizon Wireless served an estimated 713,000 Tennesseans, Cingular served an estimated 505,000 Tennesseans, and Sprint PCS served an estimated 357,000 Tennesseans.

The carriers also agreed to pay a total of \$5 million to the Attorneys General to cover the costs of the multistate inquiry and for consumer education. Tennessee's share is \$502,500.